

1 CHAIRPERSON JAMES: Doctor Westphal.

2 DR. WESTPHAL: I'd like to thank the Commission for
3 this opportunity to speak before you. My testimony is going to
4 give you something that's new. I've done two studies last year
5 that are currently in the process of being reviewed and published
6 in the scientific literature. So this should be considered to be
7 an addendum to Doctor Stinchfield's testimony and you have it in
8 front of you and I'll just go through this.

9 The background on this that was covered very well is
10 that adolescents gamble and they experience gambling related
11 problems. And there's some significant evidence that they may
12 have more problems than adults. The other issue that's not so
13 well-known is that underage adolescents participate in legalized
14 gambling activities, especially the lottery. There's four
15 jurisdictions where studies have been done showing that
16 adolescents participate in legalized gaming activities and then
17 the study that I'll talk to you about will be the fifth
18 jurisdiction.

19 And also some background; this study was done in
20 Louisiana and Louisiana has more forms of gambling and it's more
21 accessible than many states and it's a somewhat unique situation.
22 But there are seven different types of gambling available in the
23 state, most of them since 1987, 1990. And there's one gaming
24 license per every 605 adults in Louisiana, so there's a
25 tremendous amount of accessibility; video poker, lottery sites.

26 What I'm going to describe are two studies that we
27 did concurrently. The first one was a school study. We randomly
28 sampled -- we attempted to randomly sample all the private and

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1 public schools from sixth to twelfth grade in the State of
2 Louisiana. We ended up sampling 12,000 school children and all
3 but six of the parishes in Louisiana participated in this study.
4 At the same time, I did a complete survey of all the students in
5 juvenile detention facilities across the State of Louisiana. So
6 we have two studies and I'll be showing you what happens when you
7 use the information from both studies.

8 If you go to -- and the juvenile justice study was
9 600 inmates, if you can call them that, across the state in 14
10 different facilities. We use the South Oaks gambling screen
11 revised for adolescents. That's the instrument that was
12 developed in Minnesota with Doctor Stinchfield's group. And I'd
13 like you to take a look at the lifetime prevalence of gambling.
14 It's the first color chart. Now, in our study we essentially
15 randomized the sixth, seventh, eighth, ninth, tenth, eleventh,
16 and twelfth grades, so there's basically seven different studies
17 here. They're all independently randomized. So we have
18 information about each cohort, each grade of student.

19 And if you take a look, the school study is in green
20 and the juvenile detention study is in blue, and this is a
21 question, "Have you ever gambled?" As you can see, it's all in
22 the 80's. This is the same proportion of responses that you get
23 in the Louisiana adult population. So there's no difference if
24 you ask, "Have you ever gambled" to a group of adults versus a
25 group of basically from sixth graders on.

26 The next page, if you go to the next page, it says,
27 "High risk gambling behavior, scores two to three." We've
28 identified by looking at these instruments an intermediate group

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1 of people, people that have a risk for developing serious
2 gambling problems. They don't -- they're not there yet but it's
3 sort of what's been called problem gambling. This is what was
4 surprising to us.

5 If you take a look at this, start with the green
6 bars, you're really looking at between 10 -- well, 9 and 13
7 percent across the grades; sixth, seventh, eighth, ninth, through
8 twelfth, about 9 to 14 percent of kids are saying that they're at
9 risk, that they have some problems with gambling.

10 We were very surprised. The reason that we did this
11 by grade was that we were attempting to find the point when kids
12 started gambling so we could target prevention efforts. What we
13 found was starting in sixth grade there were kids already with
14 problems and this was surprising to us and shocking. If you look
15 at the blue bars, the juvenile detention sample was even higher
16 across the grades, about double. Now, this is -- but this is
17 still within what the Harvard Study considered to be the
18 confidence range for community rates, but still it's quite high.
19 It's higher than what we found in the school sample.

20 Now, if you go to the next color graph, it's called
21 "Pathological Gambling," here is the group of children with
22 problems. As you can see it's relatively steady. If you look at
23 the first green bar, starting in sixth grade you have six percent
24 of the kids that are responding that they have problems
25 associated with gambling and that is relatively steady all the
26 way to eleventh and twelfth grade. The reason we feel it drops
27 in eleventh and twelfth grade is that those kids are dropping out
28 of school.

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1 And all of the adult studies show that adult
2 pathological gamblers are more likely to be high school dropouts
3 and here you have the evidence, you know, the percentage remains
4 very steady until you get to the point where you can drop out of
5 school in Louisiana. What shocked us, though, is when you look
6 at the blue bars here, this is the juvenile detentions sample.
7 Now, to give you some background, juvenile detention is a
8 transition state in the State of Louisiana. These are children
9 that have been arrested and are awaiting sentencing or awaiting
10 trial. So they're not in jail yet but they mostly have been
11 arrested and are waiting for trials or waiting to go to other
12 facilities. So it's a short-term sort of facility.

13 Most of the stays there are about two to three months
14 at most. But as you take a look across the grades here, the
15 amount of pathological gamblers are between a quarter and 30
16 percent, between 25 and 30 percent of each grade, so of these
17 children in the juvenile justice system in the State of
18 Louisiana, we're talking about between a fourth and a third of
19 them having pathological gambling problems. And it's about six
20 to eight times higher incidents than people with pathological
21 gambling problems in the community.

22 This is consistent with adult studies. If you look
23 at adult prisoners there's high levels of gambling problems in
24 adults but we found this pattern holds in juveniles. Now, the
25 question here, go to the next page, which is lifetime prevalence
26 rates. We asked the question, these juvenile defenders are they
27 gambling on some particular activity. Now, what we did is we
28 compared the juvenile detention sample to what Harvard said was

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1 the proportion of adolescents participating in various gambling
2 activities.

3 The dark little bars are the juvenile detention study
4 Louisiana. The lighter blue bars are the Harvard Med analysis
5 and as you can see, the people in juvenile detention are just
6 gambling at higher rates and trying things across the board.
7 There's no one particular activity, if you ask their lifetime
8 prevalence of gambling that they're doing more than anybody else.

9 If you go to the next graph, it says "Past or
10 prevalence rates" --

11 CHAIRPERSON JAMES: Doctor Westphal --

12 DR. WESTPHAL: Yes, I'm sorry.

13 CHAIRPERSON JAMES: -- just a point of clarification.
14 That's casino, lottery, sports, parimutuel, what's the next one,
15 NCC, NC cards?

16 DR. WESTPHAL: Those are chase cards. It's a form of
17 gambling that's popular among adolescents. It's chase and --

18 CHAIRPERSON JAMES: For the benefit of those of are
19 who are not adolescents --

20 DR. WESTPHAL: I'm sorry, and I'm a non- adolescent,
21 too, so I'm not into this. There's cards that children can buy
22 and --

23 MR. BIBLE: Like a pull tab?

24 DR. WESTPHAL: Pardon?

25 MR. BIBLE: Like a pull tab?

26 DR. WESTPHAL: Yes, yeah, it's something like that
27 and it's not available in Louisiana, or it is available but it's

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1 -- they trade them and you can get prizes for them, that sort of
2 thing. It's a very --

3 MR. BIBLE: Similar like baseball cards.

4 DR. WESTPHAL: Similar to baseball cards, if you put
5 it that way. I'm not an expert in that and my only exposure to
6 that is in doing these studies.

7 CHAIRPERSON JAMES: It just seemed to be the highest
8 rate and so I wondered --

9 CHAIRPERSON JAMES: Yes, yes, it's the highest rate
10 nationally and it's the highest rate also, but it's a type of
11 card, like a baseball card situation, where you can trade them
12 and you can get prizes and things like that.

13 CHAIRPERSON JAMES: What's the skill, the next one?

14 DR. WESTPHAL: It's betting on skills. It's like a
15 personal thing. Like I can shoot free throws better than you.

16 CHAIRPERSON JAMES: Oh, okay.

17 DR. WESTPHAL: I can -- pool, that type of thing.

18 CHAIRPERSON JAMES: I can clean my room faster?

19 DR. WESTPHAL: Not clean my room. It's more like I
20 can -- I'm going to do better in this hole of golf. I'm going to
21 do better shooting free throws, that sort of thing.

22 CHAIRPERSON JAMES: Can I ask the staff to do just a
23 little bit of maybe a paragraph or two on the cards and just send
24 it out to all the Commissioners because we are interested in
25 that?

26 DR. WESTPHAL: Okay. I wish I was more of an expert
27 on that. Okay, but if you go to the next page, you'll see that
28 this is where we asked, "What have you been doing in the last

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1 year," and again, there's no one form of activity that dominates.
2 It's just more across the board than the national sample. The
3 conclusion we come to is that the people in juvenile detention
4 are just gambling at a higher rate in all activities.

5 Okay, the next page is entitled --

6 CHAIRPERSON JAMES: One question.

7 DR. WESTPHAL: Sure.

8 MR. LANNI: Do you also make the conclusion from this
9 particular chart that in those areas where the gambling
10 activities (inaudible).

11 DR. WESTPHAL: Yes, yes, it's very clear in Louisiana
12 the lowest level legalized gaming activity that adolescents
13 participated in was casinos and there is more obviously policing
14 there. The highest rate was lottery where you get -- where it's
15 much more open, more accessible, right, and in the middle was
16 video poker which is sort of in between. So I think the issue
17 that we came to is that the more accessible an activity is and
18 the less policed it was, the more likely adolescents are going to
19 be participating in it.

20 CHAIRPERSON JAMES: Commissioner Lanni.

21 MR. LANNI: I have one question, sorry, Doctor
22 Westphal.

23 DR. WESTPHAL: Sure.

24 MR. LANNI: My memory is not as long as yours so I
25 need to ask it now. On the casino side, in Louisiana there are a
26 number of video machines at truck stops.

27 DR. WESTPHAL: Yes.

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1 MR. LANNI: That's probably one of the reasons there
2 are more than 600 and --

3 DR. WESTPHAL: Yes, there are a tremendous amount of
4 licenses.

5 MR. LANNI: Exactly. Would that -- for those people
6 who have problems, children or adolescents, would that be in the
7 casino side or on the lottery side?

8 DR. WESTPHAL: No, that's not on the casino side.
9 That would be in the video poker side and actually --

10 MR. LANNI: I don't see that on here.

11 DR. WESTPHAL: -- we don't have that here because
12 there's no video poker nationally.

13 MR. LANNI: So the casinos are casinos and --

14 DR. WESTPHAL: Casinos are casinos.

15 MR. LANNI: All right, thank you.

16 DR. WESTPHAL: There's a number of river boat casinos
17 and that was the only question we asked on that.

18 MR. LANNI: Thank you.

19 CHAIRPERSON JAMES: Doctor -- I'm sorry, Doctor
20 Dobson.

21 DR. DOBSON: In other words, the item there for
22 casinos, every one of those represents an illegal activity.

23 DR. WESTPHAL: Yes.

24 DR. DOBSON: And every one of them, I would think
25 represents a failure of the casino operators to prevent that.

26 DR. WESTPHAL: I would assume so, unless there's some
27 perception issues in terms of -- first of all, there's variation
28 in the age ranges in terms of what's legal in what states. I

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1 know literally because of some of the information from this data,
2 Louisiana has raised the age of gambling to 21 across the board
3 because of this and the -- but I don't know the national numbers
4 on this, whether it's legal in some states or not. But I would
5 assume, if you're talking about children below 18, all of this
6 would be illegal activity.

7 DR. DOBSON: Thank you.

8 DR. WESTPHAL: If we go to Louisiana juvenile
9 offenders, here's I think where the rubber meets the road in
10 terms of the important findings here. And it really shows to me
11 that when we define pathological gambling that there's some
12 meaning to that. Here we asked -- this is just the juvenile
13 offenders. Okay, this is the 600 people that were in the
14 juvenile detention facilities and then about half of them
15 admitted to gambling problems. So this is just looking at them.

16 And it's asking them, "Did you ever steal from your
17 family to participate in gambling?" Okay, the level 2 said that
18 is about 16 percent but the people that were classified as
19 pathological gambling half of them said that they stole from
20 their families to participate in gambling. On the side there
21 you'll see of the people that were stealing what their crimes
22 were, what they were in juvenile detention for. Okay, there's a
23 breakdown on that.

24 We then asked, "Outside of the family," did they ever
25 steal outside of their family to participate in gambling and the
26 level 2's about eight percent but the level 3's, the people who
27 are pathological, 63 percent of them said that they stole outside
28 of the family to participate in gambling. And then the last

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1 pages, Louisiana juvenile offenders who stole outside their
2 family to cover gambling debts, 11 percent of level 2's but
3 again, over 50 percent of the level 3 gamblers said that they
4 stole outside their family to cover debts.

5 What I would suggest from this -- I want to say that
6 both of these studies are currently -- one of them is being
7 published and one of them is under review, so it's not included
8 in the current literature on adolescent gambling but to me what
9 this -- the big message here is that adolescent gambling is not
10 benign. There's significant social cost to the adolescents that
11 are especially -- that hit the pathological level. There are
12 costs, social costs to the society in terms of gambling and
13 juvenile justice costs that are involved with pathological
14 gambling and that at this point I'm unaware of a single
15 jurisdiction in the United States that is aware that pathological
16 gambling is associated with juvenile crime.

17 I gave this presentation to the state meeting on
18 compulsive gambling about a month ago and several probation
19 officers came to me in shock saying that, you know, they really
20 did not know that gambling disorders were associated with crimes
21 to this level in kids and they asked for more training and I
22 really think that one of the areas that is important for the
23 Commission to consider is to think about the issues involved in
24 juvenile gambling and crime and making at least the juvenile
25 legal agencies aware of this issue and to do screening and some
26 early treatment.

27 I want to end with the fact that NIDA (ph) has made
28 an estimate that each one of these offenders, each one of these

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1 kids that goes on to a life of crime costs the government --
2 costs the society two to \$3 million in costs over there lifetime.
3 This study identified 175 juvenile offenders in the State of
4 Louisiana that if these problems are not and dealt with will
5 produce staggering costs.

6 MR. LEONE: Excuse me a second. Each of which kids
7 because there are several categories mentioned.

8 DR. WESTPHAL: Okay, the NIDA study is if someone
9 drops out of school because of a drug habit, gets involved in the
10 criminal justice system, over their lifetime they cost the
11 society about two to \$3 million. Okay.

12 If -- I'm just extrapolating that. If a child gets
13 involved with gambling and drops out of school and gets involved
14 in a life of crime, my guess is the cost would be very similar.

15 CHAIRPERSON JAMES: Thank you, Doctor Westphal.

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